

**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

CHARLES PERRY COPELAND
25884 Business Center Drive, #B
Redlands, Ca. 92374

Certified Public Accountant
Certificate No. 28580

-and-

THE COPELAND GROUP CPA
25837 Business Center Drive, Suite F
Redlands, Ca. 92374
Fictitious Name Permit No. 764

Case No. AC-2012-44

OAH No. 2012090741

Respondent.

DECISION AND ORDER

The attached Stipulated Surrender of License and Order is hereby adopted by the California Board of Accountancy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on APRIL 28, 2013.

It is so ORDERED MARCH 29, 2013.

Leslie J. Hamann
FOR THE CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS

1 KAMALA D. HARRIS
Attorney General of California
2 GREGORY J. SALUTE
Supervising Deputy Attorney General
3 HEATHER HUA
Deputy Attorney General
4 State Bar No. 223418
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Attorneys for Complainant

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8 **BEFORE THE**
CALIFORNIA BOARD OF ACCOUNTANCY
9 **DEPARTMENT OF CONSUMER AFFAIRS**
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. AC-2012-44

12 **CHARLES PERRY COPELAND**
13 **25884 Business Center Drive, #B**
Redlands, Ca. 92374

OAH No. 2012090741

14 **Certified Public Accountant**
15 **Certificate No. 28580**

16 **-and-**

STIPULATED SURRENDER OF
LICENSE AND ORDER

17 **THE COPELAND GROUP CPA**
18 **25837 Business Center Drive, Suite F**
Redlands, Ca. 92374
19 **Fictitious Name Permit No. 764**

Respondent.

20
21 IT IS HEREBY STIPULATED AND AGREED by and between the parties in this
22 proceeding that the following matters are true:

23 **PARTIES**

24 1. Patti Bowers (Complainant) is the Executive Officer of the California Board of
25 Accountancy. She brought this action solely in her official capacity and is represented in this
26 matter by Kamala D. Harris, Attorney General of the State of California; by Heather Hua, Deputy
27 Attorney General.
28

2. Charles Perry Copeland (Respondent) is representing himself in this proceeding and has chosen not to exercise his right to be represented by counsel.

3. On or about November 30, 1979 the California Board of Accountancy (CBA) issued Certified Public Accountant Certificate Number 28580 to Charles Perry Copeland (Respondent or Respondents). The Certified Public Accountant Certificate will expire on June 30, 2013, unless renewed.

4. On or about August 10, 1996, the CBA issued Fictitious Name Permit No. 764 to The Copeland Group CPA (Respondent or Respondents). The Fictitious Name Permit will expire on August 31, 2015, unless renewed.

JURISDICTION

5. Accusation No. AC-2012-44 was filed before the California Board of Accountancy (CBA), Department of Consumer Affairs, and is currently pending against Respondent. The Accusation and all other statutorily required documents were properly served on Respondent on August 7, 2012. Respondent timely filed his Notice of Defense contesting the Accusation. A copy of Accusation No. AC-2012-44 is attached as Exhibit A and incorporated by reference.

ADVISEMENT AND WAIVERS

6. Respondent has carefully read, and understands the charges and allegations in Accusation No. AC-2012-44. Respondent also has carefully read, and understands the effects of this Stipulated Surrender of License and Order.

7. Respondent is fully aware of his legal rights in this matter, including the right to a hearing on the charges and allegations in the Accusation; the right to be represented by counsel, at his own expense; the right to confront and cross-examine the witnesses against him; the right to present evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.

8. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

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14. In consideration of the foregoing admissions and stipulations, the parties agree that the CBA may, without further notice or formal proceeding, issue and enter the following Order:

ORDER

IT IS HEREBY ORDERED that Certified Public Accountant Certificate No. 28580 and Fictitious Name Permit No. 764, issued to Respondent Charles Perry Copeland, is surrendered and accepted by the California Board of Accountancy.

1. The surrender of Respondent's Certified Public Accountant Certificate and Fictitious Name Permit and the acceptance of the surrendered license by the CBA shall constitute the imposition of discipline against Respondent. This stipulation constitutes a record of the discipline and shall become a part of Respondent's license history with the California Board of Accountancy.

2. Respondent shall lose all rights and privileges as a Certified Public Accountant and use of the Fictitious Name Permit in California as of the effective date of the CBA's Decision and Order.

3. Respondent shall cause to be delivered to the CBA his pocket license and, if one was issued, his wall certificate on or before the effective date of the Decision and Order.

4. If Respondent ever files an application for licensure or a petition for reinstatement in the State of California, the CBA shall treat it as a petition for reinstatement. Respondent must comply with all the laws, regulations and procedures for reinstatement of a revoked license in effect at the time the petition is filed, and all of the charges and allegations contained in Accusation No. AC-2012-44 shall be deemed to be true, correct and admitted by Respondent when the CBA determines whether to grant or deny the petition.

5. Respondent shall pay the agency its costs of investigation and enforcement in the amount of eight thousand one hundred six dollars (\$8,106.00) prior to issuance of a new or reinstated license.

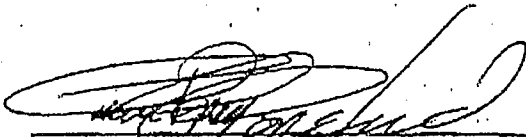
6. If Respondent should ever apply or reapply for a new license or certification, or petition for reinstatement of a license, by any other health care licensing agency in the State of California, all of the charges and allegations contained in Accusation, No. AC-2012-44 shall be

1 deemed to be true, correct; and admitted by Respondent for the purpose of any Statement of
2 Issues or any other proceeding seeking to deny or restrict licensure.

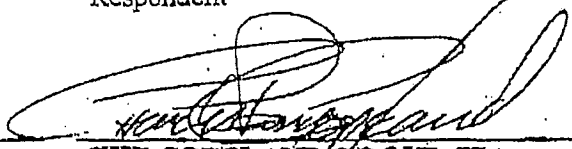
3 ACCEPTANCE

4 I have carefully read the Stipulated Surrender of License and Order. I understand the
5 stipulation and the effect it will have on my Certified Public Accountant Certificate and Fictitious
6 Name Permit. I enter into this Stipulated Surrender of License and Order voluntarily,
7 knowingly, and intelligently, and agree to be bound by the Decision and Order of the California
8 Board of Accountancy.

9
10 DATED: 1/10/2013


11 CHARLES PERRY COPELAND
12 Respondent

13 DATED: 1/10/2013


14 THE COPELAND GROUP CPA
15 Respondent


16 ENDORSEMENT

17 The foregoing Stipulated Surrender of License and Order is hereby respectfully submitted
18 for consideration by the California Board of Accountancy of the Department of Consumer
19 Affairs.

20
21 Dated: January 15, 2013

Respectfully submitted.

22 KAMALA D. HARRIS
23 Attorney General of California
24 GREGORY J. SALUTE
25 Supervising Deputy Attorney General


26 HEATHER HUA
27 Deputy Attorney General
28 Attorneys for Complainant

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Exhibit A

Accusation No. AC-2012-44

1 KAMALA D. HARRIS
Attorney General of California
2 Karen B. Chappelle
Supervising Deputy Attorney General
3 Gregory J. Salute
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ACCUSATION

14 **Certified Public Accountant**
Certificate No. 28580

15 -and-

16 **THE COPELAND GROUP CPA**
25837 Business Center Drive,
17 Redlands, Ca. 92374
18 Fictitious Name Permit No. 764

19 Respondent.
20

21 Complainant alleges:

22 **PARTIES**

- 23 1. Patti Bowers (Complainant) brings this Accusation solely in her official capacity as
24 the Executive Officer of the California Board of Accountancy, Department of Consumer Affairs.
25 2. On or about November 30, 1979 the California Board of Accountancy (CBA) issued
26 Certified Public Accountant Certificate Number 28580 to Charles Perry Copeland (Respondent or
27 Respondents). The Certified Public Accountant Certificate will expire on June 30, 2013, unless
28 renewed.

3. On or about August 21, 1996, the CBA issued Fictitious Name Permit No. 764 to The Copeland Group CPA (Respondent or Respondents). The Fictitious Name Permit will expire on August 31, 2015, unless renewed.

JURISDICTION

4. This Accusation is brought before the CBA under the authority of the following laws.

All section references are to the Business and Professions Code unless otherwise indicated.

5. Section 5100 states:

After notice and hearing the board may revoke, suspend, or refuse to renew any permit or certificate granted under Article 4 (commencing with Section 5070) and Article 5 (commencing with Section 5080), or may censure the holder of that permit or certificate for unprofessional conduct that includes, but is not limited to, one or any combination of the following causes:

• • • •

"(l) The imposition of any discipline, penalty, or sanction on a registered public accounting firm or any associated person of such firm, or both, or on any other holder of a permit, certificate, license, or other authority to practice in this state, by the Public Company Accounting Oversight Board or the United States Securities and Exchange Commission, or their designees under the Sarbanes-Oxley Act of 2002 or other federal legislation."

6. Section 5107(a) of the Code states:

The executive officer of the board may request the administrative law judge, as part of the proposed decision in a disciplinary proceeding, to direct any holder of a permit or certificate found to have committed a violation or violations of this chapter to pay to the board all reasonable costs of investigation and prosecution of the case, including, but not limited to, attorneys' fees. The board shall not recover costs incurred at the administrative hearing.

7. Section 5109 of the Code provides:

The expiration, cancellation, forfeiture, or suspension of a license, practice privilege, or other authority to practice public accountancy by operation of law or by order or decision of the board or a court of law, the placement of a license on a retired status, or the voluntary surrender of a license by a licensee shall not deprive the board of jurisdiction to commence or proceed with any investigation of or action or disciplinary proceeding against the licensee, or to render a decision suspending or revoking the license.

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FACTS

8. Respondent Charles Copeland is the co-owner, founder, officer, and director of two companies involved in an SEC Complaint including Copeland Wealth Management, (a registered investment advisor with approximately \$144 million in assets under management); and Copeland Wealth Management, a Real Estate Corporation, the general partner for 21 limited partnerships with approximately \$48 million in initial capital contributions. Respondent Charles Copeland and his companies were alleged by the SEC to have committed fraud and breach of fiduciary duty.

9. On or about October 18, 2011, the Securities and Exchange Commission ("Commission") filed a complaint against Respondent Charles Copeland in *SEC v. Copeland, et.al.* Civil Action No. CV 11-08607 R (DTBX) in the United States District Court for the Central District of California. The Commission's complaint alleged that from 2003 through May 31, 2011, Respondent raised over \$60 million from over 100 investors, including many of Respondent's tax clients, by selling interests in 23 limited partnerships operated by Respondent's companies. Throughout the offer and sale of the limited partnerships, Respondent and his companies made material misrepresentations and omissions in the offer, sale, and/or purchase of 21 of the 23 limited partnerships regarding: (1) the use of investor funds, (2) conflicts of interest, (3) guaranteed returns, (4) the unauthorized trading of put options and (5) the payment of undisclosed real estate commissions and other related compensation. The complaint alleged that Respondent, by his conduct, violated Sections 17(a) and 17(a)(3) of the Securities Act.

10. On or about October 19, 2011 a consent and final judgment was entered against Respondent, permanently enjoining Respondent from future violations of Sections 17(a) of the Securities Act of 1933¹ ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934² and Rule 10b-5 promulgated thereunder, Sections 206(1) and 206(2) of the Investment Advisors Act of 1940³. Moreover, the final judgment provides that Respondent shall pay disgorgement of ill gotten gains, prejudgment interest thereon, and a civil penalty.

¹ The Securities Act of 1933 is contained within 15 U.S.C. §§77q(a)(2) and (a)(3).

² 15 U.S.C. §78j(b).

³ 15.U.S.C. §80b-6(1) and §80b-6(2).

11. In addition, on or about January 19, 2012, the Commission issued an Order set forth in Securities and Exchange Commission Release No. 3358/ Administrative Proceeding File No. 3-14704 ordering that pursuant to Section 203(f) of the Advisors Act, that Respondent be and is hereby barred from association with any broker, dealer, investment advisor, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

FIRST CAUSE FOR DISCIPLINE

(Discipline by SEC)

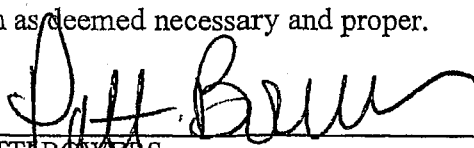
12. Respondents' Certified Public Accountant Certificate Number 28580 and Fictitious Name Permit No. 764 are both subject to disciplinary action under section 5100(l) of the Code in that: (i) on or about October 19, 2011, final judgment was entered against Respondents by the SEC as set forth in paragraphs 9 through 12 set forth above which are incorporated herein by reference.

PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the California Board of Accountancy issue a decision:

1. Revoking or suspending or otherwise imposing discipline upon Certified Public Accountant Certificate Number 28580, issued to Charles Perry Copeland;
2. Revoking or suspending or otherwise imposing discipline upon Fictitious Name Permit No. 764 issued to The Copeland Group CPA;
3. Ordering Charles Perry Copeland to pay the California Board of Accountancy the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 5107; and
4. Taking such other and further action as deemed necessary and proper.

DATED: July 13, 2012


PATRICIA BOWERS
Executive Officer
California Board of Accountancy
Department of Consumer Affairs
State of California
Complainant